

Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 PA-01 SP-02 SS-15 NSCE-00 SSO-00
ICAE-00 INRE-00 /052 W
-----126322 202217Z /64

O R 202115Z JUL 78
FM AMEMBASSY SANTO DOMINGO
TO SECSTATE WASHDC IMMEDIATE 5392
INFO AMEMBASSY CARACAS
AMEMBASSY PORT AU PRINCE

C O N F I D E N T I A L SECTION 1 OF 2 SANTO DOMINGO 3973

EO 11652 GDS
TAGS: PINT, PINS, DR
SUB: THE CHAOTIC END OF THE BALAGUER PREISDENCY

1. THE NATIONAL CONGRESS LATE JULY 19 RUSHED THROUGH LEGISLATION LIMITING THE AUTHORITY OF THE INCOMING GOVERNMENT OF ANTONIO GUZMAN IN THE SENSITIVE AREAS OF ADMINISTRATION OF THE ARMED FORCES AND CONTROL OVER FOREIGN INVESTMENT (DETAILS AND ANALYSES FOLLOW BY SEPTELS).
2. ON THE SURFACE, THE NEW "ORGANIC LAW" OF THE ARMED FORCES DOES NOT APPEAR TO BE AS RADICAL AS MANY EARLIER HAD FEARED. RATHER, IT SEEMS TO BE A LAST-MINUTE EFFORT TO "INSTITUTIONALIZE" THE ARMED FORCES AS PROFESSIONAL MILITARY ORGANIZATIONS. SUBJECT TO FULL EXAMINATION OF TEXT, ITS MAIN PROBLEM WOULD APPEAR TO BE THAT IT WILL LIMIT GUZMAN'S CHOICE OF MEN HE WANTS IN KEY MILITARY POSITIONS TO THE PRESENT CROP OF 40-ODD FLAG-RANK OFFICERS, MANY OF WHOM CANNOT BE SAID TO BE DISTINGUISHED FOR THEIR HONESTY OR COMPETENCE.
3. THESE LATEST NEW LAWS "PROPOSED" BY PRESIDENT BALAGUER AND DUTIFULLY RUN THROUGH HIS RUBBER-STAMP CONGRESS, WHICH

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HAS PRODUCED SCANT LEGISLATION IN THE PAST 12 YEARS, FOLLOWS A WELTER OF OTHER NEW LAWS WHICH HAS FLOWED FORTH IN THE PAST TWO DAYS:

A. TRANSFER TO THE ARMED FORCES OF THE NATIONAL DEPARTMENT OF INVESTIGATIONS (DNI), AN INTELLIGENCE AND SECURITY AGENCY HERETOFORE LOCATED IN THE NATIONAL PALACE

UNDER THE DIRECT CONTROL OF THE PRESIDENT. ONE OF ITS FUNCTIONS HAS BEEN TO MONITOR OPPOSITION POLITICAL ACTIVITIES; IT WILL PRESUMABLY CONTINUE THIS FUNCTION WITH APPARENTLY GREATER POTENTIAL FOR BEING DIRECTED AGAINST NON-MILITARY ELEMENTS OF THE NEW GOVERNMENT ITSELF.

B. TRANSFER FROM CIVILIAN JURISDICTION OF ALL CRIMES COMMITTED BY MILITARY PERSONNEL, OR THOSE "RECENTLY" RETIRED FROM THE ARMED FORCES AND POLICE, TO MILITARY COURTS. THIS TOO PRESUMABLY IS DESIGNED TO PROTECT WRONG-DOERS IN THE MILITARY RANKS FROM PUNISHMENT FOR PAST CRIMES, THERE IS SOME CONCERN THAT IT COULD ALSO SERVE AS PROTECTION FROM PUNISHMENT FOR FUTURE CRIMES.

C. TRANSFER, ALSO TO DIRECT CONTROL OF THE ARMED FORCES, OF THE "COMEDORES ECONOMICOS", THE POPULAR DINING HALLS THROUGHOUT THE COUNTRY WHERE THE LOWER CLASSES CAN GET AN AVERAGE MEAL FOR AS LITTLE AS 35 CENTS. SOME FEEL THIS MOVE IS TO GIVE THE MILITARY A HANDY TOOL TO PROSELYTIZE THE CLIENTS; OTHERS THAT IT IS TO BE SURE THAT THIS SOURCE OF ILLEGAL INCOME REMAINS IN MILITARY HANDS OR TO PROTECT THOSE GUILTY OF PAST CORRUPTION IN CONNECTION WITH THE COMEDORES.

D. THE GRANTING OF CIVIL SERVICE TENURE TO THE NATION'S TEACHERS, MANY OF THEM PARTY FAITHFUL.
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E. THE SETTING ASIDE, IN BUDGETS THAT OSTENSIBLY CANNOT BE TOUCHED FOR ANY OTHER PURPOSE, OF UPWARDS OF \$100 MILLION FOR PRIVATE PUBLIC WORKS CONTRACTORS, PRESUMABLY THOSE CLOSELY CONNECTED WITH THE OUTGOING GOVERNMENT.

4. MANY BALAGUER-WATCHERS SAY THESE LAWS ARE JUST THE BEGINNING OF AN AVALANCHE IN THE NEXT THREE WEEKS. THE RUMOR MILL HAS IT THAT 123 PIECES OF LEGISLATION HAVE BEEN PREPARED IN THE NATIONAL PALACE AND WILL BE ENACTED DIRECTLY. AMONG THESE IS SAID TO BE THE TURNOVER TO THE ARMED FORCES OF GOVERNMENT'S NATIONAL TV AND RADIO NETWORK (ALTHOUGH THE MILITARY ALREADY HAS ITS OWN ARMED FORCES RADIO OPERATING THROUGHOUT THE COUNTRY). ANOTHER IS THAT MULTIMILLION DOLLAR SLUSH FUNDS AVAILABLE TO THE PRESENT GOVERNMENT FOR "CONTINGENCIES," WHICH DO NOT HAVE TO BE ACCOUNTED FOR, ALSO WILL BE TURNED OVER TO THE MILITARY.

5. THERE IS LITTLE PUZZLEMENT IN POPULAR OPINION ABOUT WHAT IS GOING ON IN CONGRESS; THERE IS ALSO CONSIDERABLE INDIGNATION WITH WHAT IS WIDELY SEEN TO BE THE IRRESPONSIBILITY OF BALAGUER AND HIS UNQUESTIONING FOLLOWERS IN THE CONGRESS AND THE

MILITARY.

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C O N F I D E N T I A L SECTION 2 OF 2 SANTO DOMINGO 3973

EO 11652 GDS
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SUB: THE CHAOTIC END OF THE BALAGUER PRESIDENCY

THE JUDGMENT IS FREQUENTLY EXPRESSED PRIVATELY THAT THE BITTER PRESIDENT, HAVING BEEN DENIED RE-ELECTION, HAS TURNED HIS HAND, IN THE FEW REMAINING DAYS HE HAS IN OFFICE, TO MAKING LIFE IMPOSSIBLE FOR HIS SUCCESSOR. LISTIN DIARIO COMMENTS RATHER ACIDLY THAT WHAT THE CONGRESS IS TRYING TO ENACT IS THE PARALYSIS OF THE NEXT GOVERNMENT: EL SOL CALLS THE SPECTACLE AN IRRESPONSIBLE "FESTIVAL" OF INSTANT LAWS. NO ONE HAS LOST SIGHT OF THE FACT, EITHER, THAT THE PRESIDENT HAD MOVED ADMINISTRATIVELY IN RECENT WEEKS TO RAISE WAGES OF LARGE SECTORS OF THE GOVERNMENT (FOR WHICH CONGRESS HAS JUST APPROVED A \$35 MILLION BUDGET) AND PAD THE PAYROLLS OF ITS STATE ENTERPRISES.

6. BALAGUER'S TRUE OBJECTIVE IN THIS SUDDEN BURST OF LEGISLATIVE FIATS IS THE SUBJECT OF MUCH DEBATE AMONG DOMINICANS. SOME HOLD THAT HE IS CREATING A SITUATION IN WHICH GUZMAN CANNOT GOVERN AND WHICH, AFTER A PERIOD OF POLITICAL-ADMINISTRATIVE CHAOS, WILL LEAD TO HIS OVERTHROW AND THE RETURN, SOMEHOW, OF JOAQUIN BALAGUER TO THE PRESIDENCY. OTHERS MAINTAIN THAT, AS
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WITH HIS TORTURED MANEUVERING FOR EIGHT WEEKS TO OVERTURN THE RESULTS OF THE MAY 16 ELECTION, THIS EFFORT TO TIE THE NEXT GOVERNMENT INTO KNOTS ALSO WILL FAIL. THESE PEOPLE FEEL THAT BALAGUER HAS SO DEMONSTRABLY OVER-REACTED HIMSELF THAT HE NOW STANDS PUBLICLY REPUDIATED AND IN ANY EVENT WILL BE UNABLE TO MAINTAIN CONTROL OVER THE JERRY-BUILT "PARALLEL" GOVERNMENT HE IS HASTILY TRYING TO CONSTRUCT.

7. IT COULD, OF COURSE, BE THAT BALAGUER IS SIMPLY ACTING OUT OF SPITE AND RANCOR WITH NO CONSIDERED INTENTION OF RUINING SO AS TO RULE AGAIN AT SOME POINT IN THE FUTURE WHEN GUZMAN FALLS. THE ANGER WHICH HE WAS BARELY ABLE TO SUPPRESS IN HIS LAST SPEECH JULY 13 WAS EVIDENT IN HIS BITTER REPLY TO FORMER PRESIDENT RAFAEL BONNELLY, WHO ACCUSED BALAGUER IN AN OPEN LETTER JULY 15 OF BEING A "GOLPISTA" WHO TRIED BY COUP D'ETAT TO MAINTAIN HIMSELF IN POWER IN 1962. BONNELLY'S LETTER, WHICH ACCUSED THE PRESIDENT OF VIOLATING THE CONSTITUTION, ALSO TOUCHED ON POINTS OF BALAGUER'S PAST HISTORY WHICH THOSE WHO KNOW IT MOST INTIMATELY ONLY WHISPER ABOUT. BALAGUER'S PUBLIC LETTER OF JULY 17 WAS AD HOMINEM ATTACK ON THE RESPECTED EX-PRESIDENT. THE LATTER FIRED OFF HIS OWN REPLY THE FOLLOWING DAY ACCUSING BALAGUER OF BEING A LIAR.

8. FINALLY, IT IS PROBABLE THAT BALAGUER'S ACTIONS ALSO REFLECT GENUINE CONCERN OVER A POSSIBLE LEFTWARD DRIFT OF THE NEW GOVERNMENT, WHICH HE FEELS OBLIGED TO CIRCUMSCRIBE IN ANY WAY HE CAN.

9. GUZMAN FOR HIS PART FINALLY SPOKE UP JULY 19 AGAINST BALAGUER'S LEGISLATIVE RAMPAGE. HE SAID HE ACCEPTED SOME OF THE CHANGES THE OUTGOING PRESIDENT HAS DECREED, BUT THE MORE RECENT INITIATIVES, SUCH AS THE ORGANIC MILITARY LAW, HE

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INDICATED SHOULD BE LEFT FOR DECISION BY A NEW GOVERNMENT COMING IN WITH A LARGE POPULAR MANDATE. GUZMAN ALSO EXPRESSED HIS CONCERN THAT THESE MORE IMPORTANT CHANGES IN LAW, WHICH SAIL THROUGH BOTH CHAMBERS WITHOUT EVEN BEING READ BY THE "LEGISLATORS", COULD FUNDAMENTALLY ALTER THE STRUCTURE OF THE DOMINICAN STATE.

10. UP TO THIS POINT, HOWEVER, GUZMAN'S CRITICISM HAS BEEN MUTE, AS HAS THAT OF THE COLLECTIVE LEADERSHIP OF HIS PARTY. THE LEADERS OF THE INCOMING GOVERNMENT CONTINUE, ON BALANCE, TO BELIEVE THEY CAN RIGHT THE SITUATION ONCE THEY TAKE HOLD OF THE REINS OF POWER. AMBASSADOR HAD DINNER LAST NIGHT (JULY 19) WITH SALVADOR

JORGE BLANCO, PRD PRESIDENT, FRANCISCO PENA GOMEZ, PRD SECGEN,
AND EMILIO FERNANDEZ, PRD FOREIGN AFFAIRS CONSULTANT. NEW
LEGISLATION AND ATTITUDES OF OUTGOING ADMINISTRATION THAT IT
REFLECTS WERE DISCUSSED IN TERMS OF SOME BEMUSEMENT AND WITH
SERIOUS BUT MATTER -OF-FACT CONCERN FOR THE
WAY IN WHICH THEY COMPLICATE (RATHER THAN
THREATEN) THE LIFE OF THE NEW GOVERNMENT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LAW, PRESIDENT, POLITICAL STABILITY
Control Number: n/a
Copy: SINGLE
Draft Date: 20 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SANTO03973
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780299-0020
Format: TEL
From: SANTO DOMINGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780738/aaaabfmv.tel
Line Count: 232
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 455fa66f-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 19 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1938563
Secure: OPEN
Status: NATIVE
Subject: THE CHAOTIC END OF THE BALAGUER PREISDENCY
TAGS: PINT, PINS, DR, (GUZMAN, ANTONIO)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/455fa66f-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014